उस रिपोर्ट के पहले वेतन आयोग की रिपोर्ट को आना चाहिए बाद में आने से इं.डी. कर्मचारियों के लिए क्या फायदा होगा । सवाल हमें यही देखना है । यह रिपोर्ट आने की मंशा यही थी कि वेतन आयोग की रिपोर्ट आ जाये । सबूर कमीशन इसी 23 जुलाई को पे कमीशन वालों से बातचीत कर रहे हैं कि किस पृष्ठभूमि में उनसे बात की जाये । इसी महीने वह रिपोर्ट आने वाली है और मैं समझता हूं कि यह निर्णय सबूर कमीशन का ठीक ही था कि वेतन आयोग की रिपोर्ट आने के बाद वे सारी व्यवस्था पर विचार करें फिर अपनी फाइनल रिपोर्ट दें ।

श्री राम अवधेश सिंह : टर्म्स आफ रिफैरेंस में कुछ अन्तर है ? यह तो बताया जाये ।

MR. CHAIRMAN : Next question.

Problems of the paper industry in West Bengal

*4_4. SHRI SURAJ PRASAD :
SHRI GURUDAS DAS GUPTA :t

Will the Minister of INDUSTRY be pleased to state ;

(a) whether a 17-member delegation of West Bengal State Assembly had met him recendy on the problems of paper industry in the State and on the question of scrapping the present freight equalisation scheme; and

(b) if so, what are the details of the demands made by the delegation and Central Government's reaction thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF IN DUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM) : (a) Yej, Sir.

{The question was actually asked on the floor of the House by Shri Gurudas Das Gupta.

(b) A statement is laid on the Table of the House.

Statement

. The points made by the delegation were as follows :

(i) The critical problem of raw-material shortage being faced by all the large paper mills, in West Bengal will have to be sorted out by evolving an effective National Policy whereby raw-materials needed can be made freely available irrespective of State boundaries.

(ii) To overcome technological obsolescence adversely effecting the viability of the large Paper Mills, it is necessary to implement a programme of modernisation with adequate financial support from All India Financial Institutions.

(iii) The package of assistance already agreed upon in the case of Bengal Paper Milk should be implemented by all the Banks concerned so that the unit can reopen without further delay.

(iv) Titagarh Paper Mills should be nationalised by Government of India in the Public interest.

(v) United Bank of India should withdraw the case it has filed before the Calcutta High Court so that India Paper Pulp Company can secure Institutional Finance by hypothecation of its assets.

(vi) Freight equalisation scheme for coal and steel should be abolished or should be extended to other raw materials for industrial use.

The delegation was informed as follows :-

(j) The State Government should furnish details of raw material requirements, supplies being drawn from neighbouring States and the extent of shortfall being experienced for considering the matter further.

Moreci-er import of pulp and waste paper is permitted under OGL free of custvms levies and the paper mills could resort freely to these sources *to* augment the availability of raw materials.

(ii) The Industrial Reconstruction Bank of India has been specifically established for the purpose of revival of sick industries and the eflbrts of the Banks are directed towards revival of such units in West Bengal. The Board for Industrial and Financial Reconstruction would also start functioning shortly and would be a major instrument for speedy revival of sick units.

(iii) The Financial Institutions are already taking action to implement the package of assistance agreed upon in the case of Bengal Paper Mills.

(h) The Financial Institutions are er gaged in working out necessary package of measures required for revival and rehabilitation of Tita-ghur Paper Mills.

(v) Most of the other matters referred to by the delegation pertain to the iole of Financial Institutions and Ranks falling within the administrative jurisdiction of Ministry of Finance and should be taken up with that Ministry appropriately.

SHR*I* GURUDAS DAS GUPTA : Sir, it seems the Minister is cons-picuously silent about a part of my quest?cm. I hope he has read the question ^.xroperly. The question has two parts. One is about the paper industJ y and the other is about abolition cf freight equalisation scheme. The A (ii lister has been silent on the question of freight equalisation because it \s not convenient for him.

Witl' your permission, Sir, I would like to know from him whether he is aware that a Committee known as Pande Committee was appointed sometime back to go into the details of abolition of freight equalisation. West Bengal is very much interested because freight equalisation is a palpable question of downright discrimination about West Bengal. When this scheme was introduced, Dr. Vidhan Chandra Roy had opposed it and since then all the Governments in West Bengal, without any difference of opinion, wanted the scheme to be abolished. Now, my question is, whether the Government believes that the freight equalisation scheme is having a discriminatory effect on this industry and economy of West Bengal. That is part (a) of my question. Part (b) of my question is whether the Government shall consider or support abolition of freight equalisation scheme either by one stroke or by seven strokes. And part (c) of the question is...

MR. CHAIRMAN : You will exhaust your second supplementary if you go on like this.

SHRI GURUDAS DAS GUPTA: Is the Government going to introduce freight equalisation in case of cotton also because by not introducing there, they are discriminating West Bengal ?

SHRI M. ARUNACHALAM S Sir, as far as the question is concerned there is no question of a freight equalisation scheme. We are aware of the Pande Committee's recommendations. Government has accepted in principle the Pande Committee recommendation.. .

SHRI N.K.P. SALVE : Rejecting it in practice.

SHRI M. ARUNACHALAM : As far as freight equalisation is concerned, some of the States are in favour of that, some of the States are for abolition of the same. Therefore, it is currently under review by Government.

SHRI GURUDAS DAS GUPTA : That I can understand. But nay I ask the Minister to categorically state that they will or they are going to or they believe that this scheme is having a discriminatory effect ? When Government is going to take this step is a different matter but I would like the Minister to tell the House whether they believe that freight equalisation is having a dis-ciminatory effect on the industrial economy of West Bengal and if they think so, when they are going to implement it. I hope the Minister will not evade the question.

SHRI. M. ARUNACHALAM: Sir, I have already replied that Government have accepted in principle to do r.way with it.

MT.. CHAIRMAN : He has already answered that some states are in favour of and some States are against it.

SHRI M. ARUNACHALAM: It has already been decided that no new scheme of freight equalisation for industrial commodities will be introduced except for subsidised transport in the North-Eastern region, hilly and difficult areas or for essential items of mass consumption.

SHRI CHITTA BASU : I think the hon. Minister is aware of the fact that by the introduction of freight equalisation scheme, the eastern region of the country comprising the States of Bihar, Orissa and West Bengal has been deprived of the locational advantage of industrial inputs e.g. coal, steel etc. and this deprival of the locational advantage has led to the position of serious industrial stagnation in this region of our country. The Pande Committee recommended for th» phased abolition of this freight equalisation scheme I was replied in the course of a question by the hon. Minister that the report has been accepted i i principle but the modalities are being worked out and this is causing delay. The reason was advanced that some of the States are opposed to this.-Now in this background, may I know from the hon. Minister, since he is the Minister Incharge of Industry, having regard to the fact which cannot be denied that there has been industrial stagnation in the eastern part of the country and this stagnation is due to the fact of existence of this very scheme, whether he would assure the house that the modalities will be worked out as soon as possible so that the industrial progress of these States can be resumed ?

My second question would be ...

MR. CHAIRMAN : No, no, you are not entitled to a second question.

SHRI CHITTA BASU: Sir, apart of it only. Whether he is aware of the fact that Prime Minister only on i st July in Calcutta—Mr. Asoke Sen might be knowing it since he was present there—said that he agreed with this—about the effect of freight equalisation scheme—and he assured the people of West Bengal which were represented by different Chambers of Commerce and Trade Unions that he would examine the matter and expedite the decision in this regard. Would the hon. Minister tell us something about it and whether he will follow up the examination of the problem and take a speedy step in this regard ?

SHRI M. ARUNACHALAM : Sir, as far as the first part of the question is concerned, the stagnation in industrial development in the eastern sector is not because of this freight equalisation scheme. It is because of political reasons. I do not want to dwell on that *(Interruptions)*

SHRIK. MOHANAN : In Bihar and Orissa also it is because of political reasons... *(Interruptions)...*

SHRI M. ARUNACHALAM: Sir, I seek your protection... *(Interruptions)*. ..

SHRI K. MOHANAN : The Law Minister is misguiding the hon. Minister.

MR. CHAIRMAN : I am going to give a chance to Mr. Sukomal Sen. He will take care of all these things. Yes, Mr. Sukomal Sen.

SHRI SUKOMAL SEN : Sir, the question has not been answered by the hon. Minister. Perhaps he is not aware of the facts of the freight equalization scheme. As my hon. friend, Mr. Basu has said, it was introduced in 1954—and I am not speaking only of Bengal. Take, for example, Bihar in eastern India. In our country, 45 per cent of the mineral wealth is concentrated in one State, in Bihar only. But what is the position of industrial development in that State despite the fact that 45 per cent of the mineral wealth of the country is in that State alone, including iron and coal ? They are, perhaps, the poorest State in the country as regards per capita income. Sir, when this scheme for freight equalization was contemplated, it was motivated for promoting industrial development in areas located further away from major sources of raw material. The issue was discussed thoroughly by the Pande Committee and the Pande Committee actually did not agree with the freight equalization scheme that was introduced, perhaps, during the time of Mr. T.T. Krishna-machari. Then, Sir, the Pande Committee clearly stated that the freight equalization scheme had failed to serve the purpose. They said that for the dispersal of industry, freight equalization is not the only way; there are some other better ways also. They had indicated that because of freight equalization for iron, steel and coal eastern India was suffering and industrial development there was stagnating. That is why they recommended that it should be abolished, phase-wise. After the Pande Committee report came out, the Government agreed in principle that they will implement it phase by phase. What happened then ? The earlier Finance Minister...

MR. CHAIRMAN: Please put your question.

SHRI SUKOMAL SEN' : The earlier Finance Minister, in several press conferences or public announcements, said, "No, freight equalization for iron, steel and coal will continue." If freight equalization for iron, steel and coal continues, then what will happen to eastern India ?

MR. CHAIRMAN : Two minutes over.

SHRI SUKOMAL SEN : I would like to know from the hon. Minister whether they are rejecting the Pande Committee report or they are going to abolish freight equalization for iron, steel and coal. He should categorical!)' announced it in Parliament.

SHRI M. ARUNACHALAM : Sir, I have already answered that we are accepting the Pande Committee report in principle and we are to implement it. As far as coal is concerned I was told that there is no freight equalization.

MR. CHAIRMAN: Next question.

Report of *the* Jaswant Singh Commission

*45. SHRI ATAL BIHARI VAJPAYEE:t SHRI ASHWANI KUMAR:

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Jaswant Singh Commission had submitted its report in April, 1985;

(b) what were the main recommendations regarding setting up of

†The question was actually asked on the floor of the House by-Shri Atal Bihari Vajpayee.